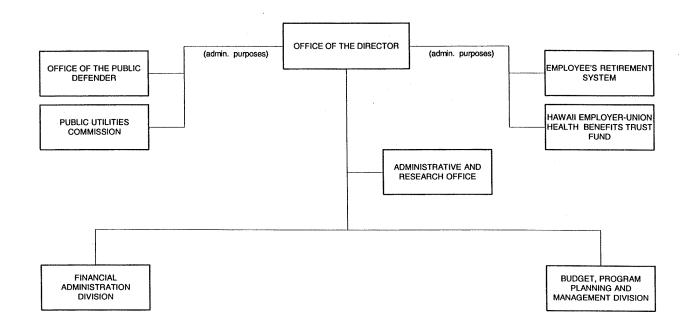


STATE OF HAWAII DEPARTMENT OF BUDGET AND FINANCE PLAN OF ORGANIZATION



DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the state under the general direction of the Governor
- Coordinates state budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State
- Plans, directs and coordinates the State's investments and financing programs

- Directs and coordinates a statewide retirement benefits program for state and county government employees
- Provides health and life insurance benefits for eligible state and county active and retired public employees and dependents
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services
- Regulates all franchised or certificated public service companies operating in the State

MAJOR PROGRAM AREAS

The Department of Budget and Finance has programs in the following major program areas:

Individual l	Rights	Governme	Government-Wide Support				
BUF 151	Office of the Public Defender	BUF 101	Departmental Administration and Budget				
BUF 901	Public Utilities Commission		Division				
		BUF 115	Financial Administration				
		BUF 141	Employees Retirement System				
		BUF 143	Employer Union Trust Fund				

DEPARTMENT OF BUDGET AND FINANCE Department Summary

Mission Statement

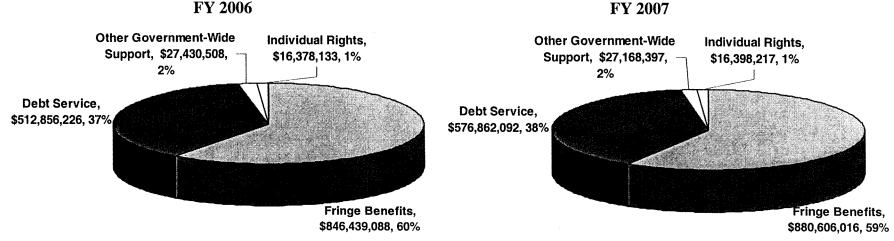
Enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

Department Goals

Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; provide retirement and survivor benefits for State and County members and prudently maximize the return on investments; provide health and life insurance benefits to active and retired State and County public employees and their dependents that are affordable to both public employers and participants; ensure that regulated companies provide communication, utilities, and transportation services to the public at acceptable standards of quality, dependability, and safety; and safeguard the rights of indigent individuals in need of assistance in criminal and related cases.

Significant Measures of Effectiveness	FY 2006	FY 2007
1. Percentage of recommendations on departments' requests completed by due date	90	90
2. Average annual rate of return on State treasury investments	2.37	2.36
3. Rate of interest paid on State bonds relative to the Bond Buyer Index for bonds of	90	90
comparable term and credit		

FB 2005-2007 Budget by Major Program/Activity



Department of Budget and Finance (Operating Budget)

	FY	2005 Allocation	FY 2006	FY 2007
Funding Sources:	· · · · · ·			
Po	sitions	143.00	144.00	144.00
General Fund	\$	575,458,746	596,232,212	637,915,907
		39.00	41.00	41.00
Special Funds		7,013,758	7,517,607	7,517,607
		27.00	30.00	30.00
Trust Funds		6,148,868	8,644,188	8,366,838
Interdepartmental Transfers		558,414,748	782,631,986	839,156,408
A.		73.00	75.00	75.00
Other Funds		18,147,397	8,077,962	8,077,962
		282.00	290.00	290.00
Total Requirements	-	1,165,183,517	1,403,103,955	1,501,034,722

Highlights of the Executive Biennium Budget Request:

- 1. Provided \$28,438,527 in FY 06 and \$57,509,993 in FY 07 in general funds and \$136,134,040 in FY 06 and \$171,068,440 in FY 07 in inter-departmental transfer funds for debt service.
- 2. Reduced the general fund in FY 06 by \$34,007,020 and \$26,616,124 in FY 07 and provided \$45,130,042 in FY 06 and \$58,476,388 in FY 07 in inter-departmental transfer funds for employer contributions for health benefits.
- 3. Provided \$26,651,452 in FY 06 and \$28,589,881 in FY 07 in general funds and \$34,466,173 in FY 06 and \$38,036,550 in FY 07 in inter-departmental transfer funds for employer contributions for pension accumulation.
- 4. Reduced the general fund in FY 06 by \$6,473,509 and \$3,851,218 in FY 07 and provided \$8,497,957 in FY 06 and \$13,171,256 in FY 07 in inter-departmental transfer funds for employer contributions for social security/medicare.
- 5. Provided \$1,500,000 in trust funds for FY 06 and FY 07 for unclaimed property judgement and claims.

PROGRAM ID:

PROGRAM STRUCTURE NO.

PROGRAM TITLE:

DEPARTMENT OF BUDGET AND FINANCE

		IN DOLL	ARS			TN THOUS	:ANDS	
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES EQUIPMENT	287.00* 18,333,138 982,459,542 141,781	282.00* 19,781,942 1,145,259,075 142,500	290.00* 21,513,547 1,381,350,227 240,181	290.00* 21,515,579 1,479,099,143 420,000	290.0* 21,516 1,533,190	290.0* 21,516 1,607,214	290.0* 21,516 1,563,935	290.0* 21,516 1,607,353
TOTAL OPERATING COST	1,000,934,461	1,165,183,517	1,403,103,955	1,501,034,722	1,554,706	1,628,730	1,585,451	1,628,869
BY MEANS OF FINANCING				!				
GENERAL FUND	149.00* 489,017,832 43.00*	143.00* 575,458,746	144.00* 596,232,212	144.00* 637,915,907	144.0* 659,424	144.0* 689,134	144.0* 668,663	144.0* 685,309
SPECIAL FUND	6,230,399 27.00*	39.00* 7,013,758 27.00*	41.00* 7,517,607 30.00*	41.00* 7,517,607 30.00*	41.0* 7,518 30.0*	41.0* 7,518 30.0*	41.0* 7,318 30.0*	41.04 7,318
TRUST FUNDS	5,458,139 1.00*	6,178,646	8,644,188	8,366,838	8,080	8,080	8,080 *	*0.00 8,080 *
INTERDEPT. TRANSFER OTHER FUNDS	492,037,848 67.00*	558,414,748 73.00*	782,631,986 75.00*	839,156,408 75.00*	871,738 75.0*	916,052 75.0*	893,444 75.0*	920,216 75.0
OTHER TORDS	8,190,243	18,117,619	8,077,962	8,077,962	7,946	7,946	7,946	7,946
CAPITAL IMPROVEMENT COSTS PLANS		400,000						
DESIGN CONSTRUCTION EQUIPMENT	520,000 86,381,000 1,055,000	600,000 142,324,000 . 1,950,000	248,736,000	75,000,000				
TOTAL CAPITAL EXPENDITURES	87,956,000	145,274,000	248,736,000	75,000,000				
BY MEANS OF FINANCING G.O. BONDS	87,956,000	145,274,000	248,736,000	75,000,000				
TOTAL POSITIONS TOTAL PROGRAM COST	287.00* 1,088,890,461	282.00* 1,310,457,517	290.00* 1,651,839,955	290.00* 1,576,034,722	290.00* 1,554,706	290.00* 1,628,730	290.00* 1,585,451	290.00* 1,628,869

Department of Budget & Finance (Capital Improvements Budget)

	FY 2006	FY 2007
Funding Sources:		
General Obligation Bonds	75,000,000	75,000,000
Total Requirements	75,000,000	75,000,000

Highlights of the Executive CIP Budget Request (general obligation bond funds):

- 1. Provided \$30,000,000 in FY 06 and FY 07 for Hawaiian Home Lands settlement payments.
- 2. Provided \$45,000,000 in FY 06 and FY 07 for State Education Facilities Improvement Special Fund deposit.

STATE OF HAWAII PROGRAM ID

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT IN THOUSANDS OF DOLLARS

REPORT B78 PAGE 216

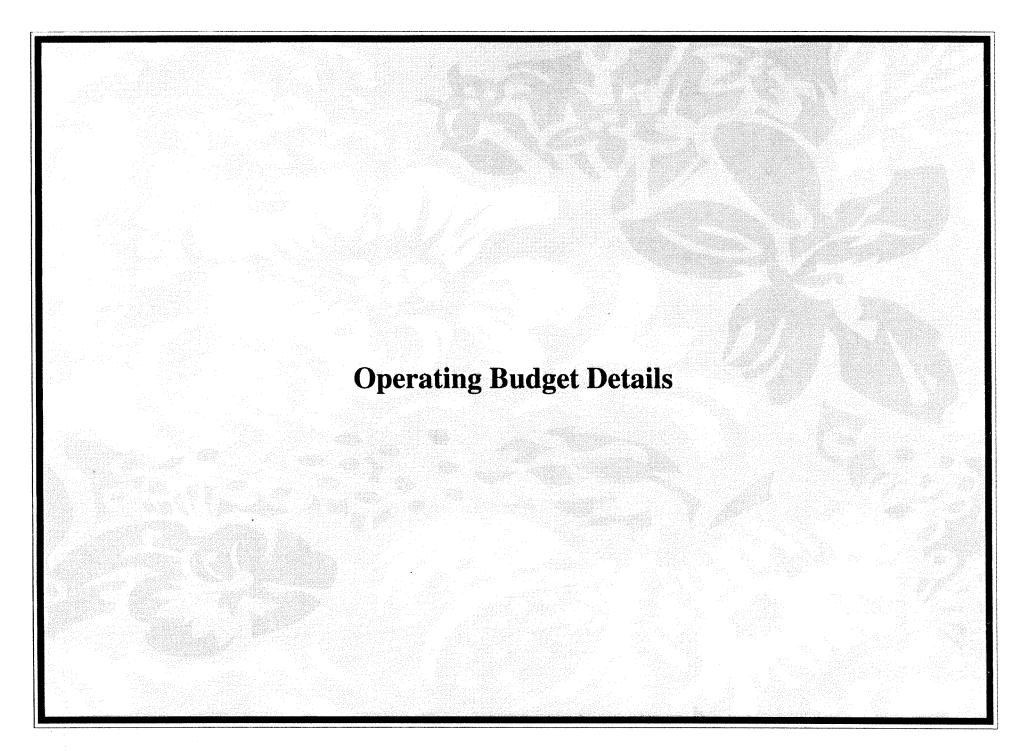
PROGRAM STRUCTURE NO.

PROGRAM TITLE

DEPARTMENT OF BUDGET AND FINANCE

PROJECT NUMBER	PRIORITY NUMBER	LOC	SCOPE	PROJECT TITLE			· ** • • • • • • • • • • • • • • • • • •	BUDGET PERIOD					**************************************	
		COST	ELEMENT/MOF	PROJECT TOTAL	PRIOR YRS	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07 08	FY 08-09	FY 09-10	FY 10-11	SUCCEED YEARS
		PLAN: DESIC CONS EQUI	GN TRUCTION	400 601 1,403,366 1,951	1 819,414 1	400 400 139,366	200 294,586 1,950	75,000	75,000	and any data have not used used data also	* CO			
		T(OTAL	1,406,318	819,416	140,166	296,736	75,000	75,000					
		G.O.	BONDS	1,406,318	819,416	140,166	296,736	75,000	75,000					

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PROGRAM ID:

PROGRAM STRUCTURE NO. 10

PROGRAM TITLE:

INDIVIDUAL RIGHTS

		THOUSANDS						
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	126.00* 9,291,559 4,799,644	118.00* 10,191,186 4,987,511	121.00* 11,125,541 5,249,711	121.00* 11,125,541 5,272,676	121.0* 11,126 5,272	121.0* 11,126 5,272	121.0* 11,126 5,072	121.0* 11,126 5,072
EQUIPMENT	49,393		2,881			ŕ	•	-,
TOTAL OPERATING COST	14,140,596	15,178,697	16,378,133	16,398,217	16,398	16,398	16,198	16,198
BY MEANS OF FINANCING				!				
	83.00*	79.00*	80.00*	80.00*	80.0*	80.0*	80.0*	80.0*
GENERAL FUND	7,910,197	8,164,939	8,860,526	8,880,610	8,880	8,880	8,880	8,880
	43.00*	39.00*	41.00*	41.00*	41.0*	41.0*	41.0*	41.0*
SPECIAL FUND	6,230,399	7,013,758	7,517,607	7,517,607	7,518	7,518	7,318	7,318
TOTAL POSITIONS	126.00*	118.00*	121.00*	121.00*	121.00*	121.00*	121.00*	121.00*
TOTAL PROGRAM COST	14,140,596	15,178,697	16,378,133	16,398,217	16,398	16,398	16,198	16,198
			=========				========	20,170

REPORT P61-A

PROGRAM ID:

BUF151

PROGRAM STRUCTURE NO. 100301

PROGRAM TITLE:

OFFICE OF THE PUBLIC DEFENDER

			IN THOUSANDS					
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES EQUIPMENT	83.00* 7,326,079 534,725 49,393	79.00* 7,530,101 634,838	80.00* 7,870,666 664,783 2,881	80.00* 7,870,666 687,748	80.0* 7,871 687	80.0* 7,871 687	80.0* 7,871 687	80.0* 7,871 687
TOTAL OPERATING COST	7,910,197	8,164,939	8,538,330	8,558,414	8,558	8,558	8,558	8,558
BY MEANS OF FINANCING				!				
GENERAL FUND	83.00* 7,910,197	79.00* 8,164,939	80.00* 8,538,330	80.00* 8,558,414	80.0* 8,558	80.0* 8,558	80.0* 8,558	80.0* 8,558
TOTAL POSITIONS TOTAL PROGRAM COST	83.00* 7,910,197	79.00* 8,164,939	80.00* 8,538,330	80.00* 8,558,414	80.00* 8,558	80.00* 8,558	80.00* 8,558	80.00* 8,558

REPORT P62

PROGRAM ID:

BUF-151

PROGRAM STRUCTURE NO: 100301

PROGRAM TITLE:

OFFICE OF THE PUBLIC DEFENDER

		FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
MEASU	JRES OF EFFECTIVENESS								
1 2	# OF CLIENTS PROVIDED EFFECTIVE REPRESENTATION ANN # TRNG HOURS COMPL BY PROF STAFF AS %PLNND HRS	48134	49096	50078 90	51079 90	52100 90	53142 90	53142 90	53142 90
PROGI	RAM TARGET GROUPS								
1 2 3 4 5 6	INDIGENTS REQUIRING SERVICES FOR FELONY CASES INDIGENTS REQUIRING SVS FOR MISDEMEANOR CASES INDIGENTS REQUIRING SERVICES FOR APPEALS CASES INDIGENTS REQUIRING SVCS FOR MENTAL COMMIT CASES INDIGENTS REQ SVCS FOR FAMILY COURT CASES INDIGENTS REQ SVCS FOR PRISON CASES RAM ACTIVITIES	6543 28714 113 238 10170 2356	6674 29288 115 243 10373 2403	6808 29874 117 247 10580 2451	6943 30472 120 253 10792 2501	7082 31081 122 258 11008 2551	7224 31703 125 264 11228 2603	7224 31703 125 264 11228 2603	7224 31703 125 264 11228 2603
1 2 3 4 5	CASES ACCEPTED - FELONY CASES CASES ACCEPTED - MISDEMEANOR CASES CASES ACCEPTED - FAMILY COURT CASES CASES ACCEPTED - APPEAL CASES CASES ACCEPTED - MENTAL COMMITMENT CASES CASES ACCEPTED - PRISON CASES	5761 27782 9748 113 238 2356	5876 28338 9943 115 243 2403	5993 28904 10142 118 247 2451	6113 29483 10344 119 253 2500	6236 30072 10551 122 258 2555	6360 30674 10811 124 263 2601	6360 30674 10811 124 263 2601	6360 30674 10811 124 263 2601

PROGRAM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):

TAXES

LICENSES, PERMITS AND FEES

REVENUES FROM THE USE OF MONEY AND PROPERTY

REVENUE FROM OTHER AGENCIES: FEDERAL

ALL OTHER

CHARGES FOR CURRENT SERVICES FINES, FORFEITS AND PENALTIES

NON-REVENUE RECEIPTS

TOTAL PROGRAM REVENUES

PROGRAM REVENUES BY FUND TO WHICH DEPOSITED (IN THOUSANDS OF DOLLARS):

GENERAL FUND

TOTAL PROGRAM REVENUES

A. Statement of Program Objectives

To safeguard the rights of individuals in need of assistance in criminal and mental commitment, and family cases by providing statutorily entitled legal services.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>

The operating budget request includes an additional permanent Deputy Public Defender position for the Hilo Branch Office due to caseload increases.

C. <u>Description of Activities Performed</u>

Program activities include providing comprehensive legal and related services to the target group in all police, judicial and related administrative proceedings in the following situations.

- Custodial interrogations and lineups
- Preliminary hearings
- Arraignments
- Pretrial release and bail hearings
- Pretrial motions proceedings
- Pretrial investigations
- Trial proceedings
- Sentencing proceedings
- Minimum term and parole hearings
- Appellate and post-conviction proceedings
- Bench warrant, extradition and material witness proceedings
- Family Court juvenile and adult proceedings
- Order to Show Cause proceedings in spouse abuse and other contempt matters in the Family Courts
- Involuntary commitment and out-patient proceedings

D. Statement of Key Policies Pursued

Provide comprehensive legal and other necessary services in criminal and related cases at the least possible cost. The scope of services that must be provided generally is dictated by the Federal and State Constitutions, the State statutes, judicial rules, decisions and opinions, and the cannons of professional ethics.

E. <u>Identification of Important Program Relationships</u>

While the program is necessarily affected by the activities of key components within the criminal justice system (police, prosecution, courts, corrections, parole), the adversary nature of the program's responsibilities precludes significant relationship with other agencies. The Office of the Public Defender is recognized as an agency which is a critical component of the criminal justice system and has a seat on a number of judiciary committees that address issues and problems within the system.

F. Description of Key Policies Pursued

Rule and policy changes adopted by the Judiciary and new legislation have a marked and direct effect on the program. Recent trends toward mandatory and enhanced sentencing as well as the increasing of penalties of certain felony offenses have resulted in fewer pleas and more trials. The judiciary has continued to expand as evidenced by the addition of a judge in the Third Circuit (Big Island). This new judgeship is expected to be filled in 2005. Recent appeals court decisions, particularly in the area of sex offenses, have established the rights to additional hearings which, in turn, adds to workload of public defenders.

The Office of the Public Defender is constitutionally mandated to provide legal assistance to all indigent accused persons requesting representation in misdemeanor, family and felony cases. Increase in professional staffing

requirements on Oahu and neighbor islands continue to be required to fulfill the statutory mandate of the Office of the Public Defender.

G. <u>Discussion of Cost, Effectiveness, and Program Size Data</u>

Planned level of program effectiveness is measured in the number of clients provided effective representation. The goal of the agency is to avoid judicial or disciplinary counsel determinations of ineffective assistance of counsel that would reflect a major denial of Federal and State Constitutional rights as well as to operate efficiently within its allocated budgetary guidelines. The program has realized its planned level of effectiveness in the past biennial period.

H. <u>Discussion of Program Revenue</u>

Pursuant to statute, if at any time after counsel is appointed, the court is satisfied that a defendant is financially able to obtain counsel or to make partial payment for the representation, the court may terminate the appointment of counsel, unless the person so represented is willing to pay for the representation. If appointed counsel continues the representation, the court shall direct payment for such representation as the interests of justice may dictate. Any payments directed by the court shall be general fund realizations.

This reimbursement process is employed in those very rare instances where a defendant has subsequent ability to pay for counsel. Additionally, consideration has been given to requiring some contribution from all but the most impecunious of clients. It is believed that this would require costs of collection and accounting that would far outweigh the benefit.

I. Summary of Analysis Performed

Improvement in future years will be contingent upon program expansion commensurate with the increase in the size of the target group. It remains difficult to anticipate fluctuations in the target group to provide a staffing and

funding pattern to assure an optimum level of effectiveness. Nonetheless, policy changes initiated within the Judiciary such as expansion of court days and number of courts, and increased weekly trial setting to reduce case backlogs in felony, district, and family courts have imposed burdens that require relief through expansion of staff resources.

J. Further Considerations

None.

REPORT P61-A

PROGRAM ID:

BUF901

PROGRAM STRUCTURE NO. 10010305

PROGRAM TITLE:

PUBLIC UTILITIES COMMISSION

		IN DOLL	ARS			IN THOUS	ANDS	
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES	43.00* 1,965,480 4,264,919	39.00* 2,661,085 4,352,673	41.00* 3,254,875 4,584,928	41.00* 3,254,875 4,584,928	41.0* 3,255 4,585	41.0* 3,255 4,585	41.0* 3,255 4,385	41.0* 3,255 4,385
TOTAL OPERATING COST	6,230,399	7,013,758	7,839,803	7,839,803	7,840	7,840	7,640	7,640
BY MEANS OF FINANCING				1				
GENERAL FUND	*	*	* 322,196	322,196	* 322	* 322	* 322	* 322
SPECIAL FUND	43.00* 6,230,399	39.00* 7,013,758	41.00* 7,517,607	41.00* 7,517,607	41.0* 7,518	41.0* 7,518	41.0* 7,318	41.0* 7,318
TOTAL POSITIONS TOTAL PROGRAM COST	43.00*	39.00*	41.00*	41.00*	41.00*	41.00*	41.00*	41.00*
TOTAL FROMAN COST	6,230,399	7,013,758	7,839,803	7,839,803	7,840 ======	7,840 ======	7,640	7,640

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:

BUF-901

PROGRAM STRUCTURE NO: 10010305

PROGRAM TITLE:

PUBLIC UTILITIES COMMISSION

		FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
	RES OF EFFECTIVENESS						*** *** *** *** *** *** ***		
1	% OF RATE CASES COMPLETED WITHIN 10 MONTHS %INFRML COMPLNTS RESLVD/CLOSD H/IN 90 DAYS OF FILG	100	100	100 100	100 100	100 100	100 100	100 100	100 100
PROGR	AM TARGET GROUPS								
	ELECTRIC AND GAS COMPANIES	5	5	5	5	5	5	5	5
	PROPERTY CARRIERS	375	375	375	375	375	375	375	375
	PASSENGER CARRIERS	533	533	533	533	533	533	533	533
	WATER COMMON CARRIERS	3	3	3	3	3	3	3	3
	PRIVATE WATER & WASTEWATER UTILITY COMPANIES	34	34	34	34	34	34	34	34
6	TELECOMMUNICATION COMPANIES	211	211	211	211	211	211	211	211
PROGR	AM ACTIVITIES								
1	# UTILITY & TRANSPORTATION APPLICATIONS FILED	391	400	400	400	400	400	400	400
2	# DECISION AND ORDERS ISSUED	815	800	800	800	800	800	800	800
3	# UTIL SVS INTERRUPTIONS OF 1 MIN DURATION	4191	4000	4000	4000	4000	4000	4000	4000
	# INVESTIGATIONS INVOLVG UNLICENSED OPERTNS*	71	70	70	70	70	70	70	70
5	# INFORMAL COMPLAINTS FILED*	599	600	600	600	600	600	600	600
6	# REPORTABLE ACCIDENTS INVOLVING UTIL EMPLOYEES**	118	120	198	198	198	198	198	198
PROGR	AM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):								
TA	XES								
LI	CENSES, PERMITS AND FEES								
	VENUES FROM THE USE OF MONEY AND PROPERTY								
RE	VENUE FROM OTHER AGENCIES: FEDERAL								
	ALL OTHER								
CH	ARGES FOR CURRENT SERVICES	11,396	11,832	12,298	12,784	12,784	12,784	12,784	12,784
FI	NES, FORFEITS AND PENALTIES	37	31	25	20	20	20	20	20
NO	N-REVENUE RECEIPTS	97	5,203	4,789	5,250	5,731	5,731	5,731	5,731
	TOTAL PROGRAM REVENUES	11,530	17,066	17,112	18,054	18,535	18,535	18,535	18,535
PROGR	AM REVENUES BY FUND TO WHICH DEPOSITED (IN THOUSANDS O	F DOLLARS):							
SP	ECIAL FUNDS	11,530	17,066	17,113	18,054	18,535	18,535	18,535	18,535
	TOTAL PROGRAM REVENUES	11,530	17,066	17,113	18,054	18,535	18,535	18,535	18,535

A. Statement of Program Objectives

To ensure that regulated companies provide communication, utilities, and transportation services to the public at acceptable standards of quality, dependability, and safety at fair rates by establishing and enforcing the appropriate service standards.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>

The Commission's fiscal biennium 2005 – 2007 budget request is in compliance with Section 37-68(1)(A)(B). The request includes increased funding to cover expenses associated with permanent positions previously funded through Act 154, SLH 2004, the One Call Center activities initiated through Act 141, SLH 2004; Consumer Advocate Office operations, pursuant to HRS §269-33; and Gasoline Price Caps implementation (general funds), as initiated through Act 242, SLH 2004.

Due to the changing regulatory environment and the constant expansion in the development and deployment of various technologies and services affecting the changes in regulated industries, the request for increased positions and funding will equip the Commission with the resources and expertise necessary to satisfactorily meet the above objectives. Additional resources will also allow the Commission to proactively and expeditiously address and resolve critical public policy issues facing the State of Hawaii. These issues will significantly impact the economy, education, health, safety, leisure, general welfare, and prosperity of the State and its people.

C. <u>Description of Program Activities Performed</u>

The Commission is engaged in legislative, judicial, and administrative regulatory activities, such as:

1. Establishing rules and regulations, which include service standards for regulated public utilities and transportation companies;

- Rendering decisions regarding reasonableness of rates and efficiency in operational and service practices affecting ratepayers and the public;
 and
- Processing applications; reviewing requests; and conducting audits, inspections, and investigations of regulated public utilities and transportation companies to assure compliance with rules and regulations.

D. Statement of Key Policies Pursued

The key policies in which the Commission carries out its regulatory functions are:

- 1. Regulate public utilities to insure:
 - The public of adequate and efficient services at the lowest cost;
 and
 - b. A fair return to the regulated public utilities;
- 2. Ensure that the public does not experience discriminatory or preferential services, and avoid and eliminate unfair competitive practices among regulated public utilities and transportation companies;
- Promote the objectives of the State Plan to, among other things, achieve dependable, efficient, and economical statewide energy; support research, development, and promotion of renewable energy resources; and preserve the environment, while balancing the cost of energy to ratepayers;
- Maintain a level of safe, adequate, economical, and efficient motor and water carrier transportation services to insure and permit the flow of

goods for commercial purposes between points within the state at just and reasonable rates and fair practices; and

 Coordinate and support implementation of applicable regulatory initiatives to ensure safe, adequate, economical, and efficient services to the ratepayers and public, as well as, ensure regulated entity integrity and sustainability.

E. <u>Identification of Important Program Relationships</u>

Environmental and economic concerns due to public utility operations and conservation and efficient use of energy are related to the objectives of the Departments of Health, Land and Natural Resources, (DLNR), Labor and Industrial Relations (DLIR), and Business, Economic Development, and Tourism (DBED&T). For transportation, excavator, and subsurface installation services, the Department of Transportation, county offices statewide, and DLIR are involved in the safety of operations of regulated public utilities.

F. <u>Description of Major External Trends Affecting the Program</u>

1. Actions taken by the federal government relating to Voice Over Internet Protocol (VoIP), which is a relatively new technology that allows you to make telephone calls using a broadband Internet connection instead of a regular (or analog) phone line, are being closely monitored by the Commission. Regulatory issues relating to VoIP include: whether VoIP services should be classified as a "telecommunications" or "information" services under the Telecommunications Act of 1996; and whether VoIP services should be required to fulfill social policy obligations such as universal service, traditional public safety services (i.e., e911). Additionally, Docket No. 7702, in relation to the federal Telecommunications Act of 1996, and Act 225, SLH 1995, continues to remain open to provide guidance to the affected parties in the development of the infrastructure necessary to support the introduction,

deployment, and use of advanced communications technologies and services in the State of Hawaii.

- Similar to the national trend toward competition in the 2. telecommunications industry, there have been efforts to introduce and expand competition within the electric industry on the federal and state levels. As a result of this trend, in October of 2003, the Commission opened two investigative dockets, Docket No. 03-0371, Instituting a Proceeding to Investigate Distributed Generation (DG) in the State of Hawaii and Docket No. 03-0372, Instituting a Proceeding to Investigate Competitive Bidding for New Generating Capacity in Hawaii. The Commission will be holding an evidentiary hearing and will be adopting policies and drafting rules to address DG in Hawaii. For competitive bidding, the Commission is planning to hold a hearing following case preparation by applicable parties. Other trends in the energy sector include federal, state and local programs and policies intended to reduce the dependence on foreign oil and to develop and promote energy efficient technologies for buildings, homes, and power systems. The Commission anticipates that many regulatory issues affecting these trends will be addressed in its forthcoming adjudicatory and rulemaking proceedings.
- 3. A fairly new technology called Broadband Over Powerlines (BPL), which provides access to high speed broadband services using the communication capabilities of our nation's power grid, is being monitored closely by the Commission at the federal and state regulatory levels. With the recent adoption of rules by the Federal Communications Commission (FCC) to provide a framework that will both facilitate the rapid introduction and development of BPL systems while also protecting licensed radio services from harmful interference, regulatory uncertainties will hopefully be removed.
- 4. Initiatives supporting the development and utilization of additional and new renewable energy sources have increased on the national and state

levels, including state legislation that, among other things, requires the establishment of Renewable Portfolio Standards (RPS) and an incentive based ratemaking structure. The Commission is working towards conducting workshops to gather relative information from all stakeholders to implement a utility rate structure that will encourage the meeting of RPS and to insure it can be met in a cost-effective manner.

G. <u>Discussion of Cost, Effectiveness, and Program Size Data</u>

Vacant positions continue to impact the Commission's ability to function at its full potential. However, with emphasis placed on recruitment activities, the amount of vacancies has been reduced by approximately 50%. The PUC will need to address new and foreseeable statutory duties and responsibilities.

In addition, the Commission will continue to improve its effectiveness by working towards making the regulatory process more transparent as the Commission increases its operational efficiency.

H. <u>Discussion of Program Revenues</u>

Regulated utilities and transportation companies are assessed fees for filings, earnings and penalties. For fiscal year 2005, it is projected that \$11.9 million will be collected. Excess funds are lapsed from the Special Fund to the General Fund annually. For FY 04, \$5.2 million was lapsed and it is estimated for FY 05 approximately \$4.8 million, FY 06 approximately \$4.1 million, and FY 07 approximately \$4.5 million will be lapsed.

I. Summary of Analysis Performed

To address existing, newly established, and foreseeable additional statutory duties and responsibilities of the Commission, a review of the Commission's existing organizational structure was conducted. The review included analysis of other State commission's organizational structure, as well as, review of how

their functional responsibilities, by profession, satisfy required regulatory functions.

To address existing duties and responsibilities more efficiently, the Commission has developed and commenced implementation of a strategic plan that, among other things, focuses on filling position vacancies, increasing information accessibility and improving services to the public. To address newly established and foreseeable additional statutory duties and responsibilities, the Commission has also initiated steps to establish an organizational structure that fosters industry specific knowledge within professional sections in order to elicit more in-depth analysis and recommendations to the commissioners to allow for more informed and comprehensive decision making.

J. Further Considerations

None.

PROGRAM ID:

PROGRAM STRUCTURE NO. 11

PROGRAM TITLE:

GOVERNMENT-WIDE SUPPORT

		IN DOLL	ARS			TN THOUS	ANDS	
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES EQUIPMENT	161.00* 9,041,579 977,659,898 92,388		169.00* 10,388,006 1,376,100,516 237,300	169.00* 10,390,038 1,473,826,467 420,000	169.0* 10,390 1,527,918	169.0* 10,390 1,601,942	169.0* 10,390 1,558,863	169.0* 10,390 1,602,281
TOTAL OPERATING COST	986,793,865	1,150,004,820	1,386,725,822	1,484,636,505	1,538,308	1,612,332	1,569,253	1,612,671
BY MEANS OF FINANCING	,			· · · · · · · · · · · · · · · · · · ·				
GENERAL FUND	66.00* 481,107,635 27.00*	64.00* 567,293,807 27.00*	64.00* 587,371,686 30.00*	64.00* 629,035,297	64.0* 650,544	64.0* 680,254	64.0* 659,783	64.0* 676,429
TRUST FUNDS	5,458,139 1.00*	6,178,646	8,644,188	30.00* 8,366,838	30.0* 8,080	30.0* 8,080	30.0* 8,080	30.0* 8,080
INTERDEPT. TRANSFER	492,037,848 67.00*	558,414,748 73.00*	782,631,986 75.00*	839,156,408 75.00*	* 871,738 75.0*	* 916,052 75,0*	893,444	920,216
OTHER FUNDS	8,190,243	18,117,619	8,077,962	8,077,962	7,946	7,946	75.0* 7,946	75.0* 7,946
CAPITAL IMPROVEMENT COSTS								
PLANS DESIGN CONSTRUCTION EQUIPMENT	520,000 86,381,000 1,055,000	400,000 600,000 142,324,000 1,950,000	248,736,000	75,000,000				
TOTAL CAPITAL EXPENDITURES	87,956,000	145,274,000	248,736,000	75,000,000				=======================================
BY MEANS OF FINANCING G.O. BONDS	87,956,000	145,274,000	248,736,000	75,000,000	-			
TOTAL POSITIONS TOTAL PROGRAM COST	161.00* 1,074,749,865	164.00* 1,295,278,820	169.00* 1,635,461,822	169.00* 1,559,636,505	169.00* 1,538,308	169.00* 1,612,332	169.00* 1,569,253	169.00* 1,612,671

OPERATING AND CAPITAL EXPENDITURES

PROGRAM ID:

BUF101

PROGRAM STRUCTURE NO. 11010305

PROGRAM TITLE:

DEPARTMENTAL ADMINISTRATION & BUDGET DIV

		IN DOLL	ARS			IN THOUS	ANDS	
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES EQUIPMENT			50.00* 2,950,847 366,314,618 1,500	50.00* 2,950,847 387,065,067 1,500	50.0* 2,951 408,675	50.0* 2,951 432,627	50.0* 2,951 459,179	50.0* 2,951 488,613
TOTAL OPERATING COST	314,594,091	358,045,914	369,266,965	390,017,414	411,626	435,578	462,130	491,564
BY MEANS OF FINANCING				!				
	50.00*	50.00*	50.00*	50.00*	50.0*	50.0*	50.0*	50.0*
GENERAL FUND	150,860,866	184,349,823	150,440,832	157,844,935	166,921		188,133	198,423
INTERDEPT. TRANSFER	163,733,225	173,696,091	218,826,133	232,172,479	244,705	258,597	273,997	293,141
CAPITAL IMPROVEMENT COSTS PLANS DESIGN CONSTRUCTION	520,000 86,381,000	400,000 600,000 142,324,000	248,736,000	75,000,000				
EQUIPMENT	1,055,000	1,950,000		!				
TOTAL CAPITAL EXPENDITURES	87,956,000	145,274,000	248,736,000	75,000,000				
		=======================================				======	=======	
BY MEANS OF FINANCING G.O. BONDS	87,956,000	145,274,000	248,736,000	75,000,000				
TOTAL POSITIONS TOTAL PROGRAM COST	50.00* 402,550,091	50.00* 503,319,914	50.00* 618,002,965	465,017,414	50.00* 411,626	50.00* 435,578	50.00* 462,130	50.00* 491,564

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:

BUF-101

PROGRAM STRUCTURE NO: 11010305

PROGRAM TITLE:

DEPARTMENTAL ADMINISTRATION & BUDGET DIV

	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
MEASURES OF EFFECTIVENESS	*******			*****				
1 %RECOMMOTING ON DEPT REQSTS COMPL BY DUE DATE			90	90	90	90	90	90
2 % VENDOR PAYMENTS MADE WITHIN 30 DAYS			95	95	95	95	95	95
3 % VARIANCE IN FIXED COST/ENTITLMTS EXP VS ANNL ALL			8	8	8	8	8	8
4 %PAYRLL-REL HRMS TRANS COMPL W/IN 5 DAYS OF APPRVL			90	90	90	90	90	90
5 %USER IT TROUBLESHTG REQ RESPND TO W/IN 2 WKG DAYS			90	90	90	90	90	90
6 %PC/LAN MALFUNTN RESPONDED TO W/IN 6 WKG DAYS			90	90	90	90	90	90
PROGRAM TARGET GROUPS								
1 GOVERNOR AND EXECUTIVE AGENCIES	20	20	20	20	20	20	20	20
PROGRAM ACTIVITIES								
1 # DEPT PROGRAM PLANS REVIEWED & PROCESSED	161	250	180	251	180	251	251	251
2 # PROGRAM BUDGET REQUESTS REVIEWED & PROCESSED	208	700	220	700	220	700	700	
3 # PROGRAM MEMORANDA PREPARED	0	11	0	11	0	11		700
4 # VARIANCE REPORTS REVIEWED & PROCESSED	252	250	250	250	250	250	11	11
5 # EXPEND PLANS & ALLOTMENT REQUESTS PROCESSED	3469	3200	3200	3200	3200	3200	250	250
6 # REFERRALS PROCESSED	1695	1700	1700	1700	1700		3200	3200
7 NO. LEG PROPOSALS REVIEWED FOR GOVERNOR	260	300	300	300		1700	1700	1700
8 # BILLS PASSED BY LEGISLATURE REVIEWED FOR GOV	252	300	300		300	300	300	300
9 # REORG PROPOSALS REVIEWED & PROCESSED	11	12	12	300	300	300	300	300
10 # CIP ALLOTHT REQ REVIEWED & PROCESSED	523	500	500	12 500	12 500	12 500	12 500	12 500
PROGRAM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):								
TAXES								
LICENSES, PERMITS AND FEES								
REVENUES FROM THE USE OF MONEY AND PROPERTY								
REVENUE FROM OTHER AGENCIES: FEDERAL ALL OTHER	50,000							
CHARGES FOR CURRENT SERVICES FINES, FORFEITS AND PENALTIES	30,828	22,663	27,874	27,766	28,814	28,940	29,414	29,215
NON-REVENUE RECEIPTS	95,973	115,401	124,464	135,506	146,465	148,053	148,150	148,150
TOTAL PROGRAM REVENUES	176,801	138,064	152,338	163,272	175,279	176,993	177,564	177,365
PROGRAM REVENUES BY FUND TO WHICH DEPOSITED (IN THOUSANDS	OF DOLLARS):							
GENERAL FUND	117,975	129.831	144,201	155,135	163.011	164 705	165 200	1/5 007
SPECIAL FUNDS	58,826	8,233	8,137	8,137	12,268	164,725 12,268	165,296 12,268	165,097 12,268
TOTAL PROGRAM REVENUES	176,801	138,064	152,338	163,272	175,279	176,993	177,564	177,365

A. Statement of Program Objectives

To facilitate and improve the executive resource allocation process by undertaking planning, programming, and budgeting, by conducting analyses and by making recommendations on all phases of program scope and funding.

B. <u>Description of Request and Compliance with Section 37-68(1)(A)(B)</u>

Operating cost increases are attributed to additional requirements for health fund premiums which reflect a \$34.0 million decrease in general funds and \$45.1 million increase in interdepartmental transfer funds in FY 06 over the FY 05 allocation (\$11.1 million net increase) and a \$26.62 million decrease in general funds and \$58.48 million increase in interdepartmental transfer funds in FY 07 over the FY 05 allocation (\$31.86 million net increase). Cost requirements for active employees generally reflect the benefit premiums based on the FY 05 Employer-Union Trust Fund (EUTF) contract rates and projected eligible employees. FY 06 and FY 07 rate adjustments will be included in collective bargaining appropriations, as applicable. Maximum employer contribution rates for retirees are set forth in Chapter 87A, Hawaii Revised Statutes (HRS). Projected costs are based on estimated premium rate increases provided by the EUTF Benefits Consultant and anticipated enrollment levels. Projected enrollments were based on actual active and retiree enrollment as of June 30, 2004 and provided growth based on enrollment changes in FY 04 for both actives and retirees.

The biennium budget also reflects \$32,006 in additional general funds in each year of the biennium for an anticipated two-fold increase in monthly telephone line charges.

Lastly, the biennium budget includes General Obligation Bond transfers of: 1) \$45.0 million in both FY 06 and FY 07 to the State Educational Facilities Improvement (SEFI) Special Fund to permit the State to meet its obligation under Section 36-32, HRS, and Section 237-31, HRS; and 2) \$30 million in

each year of the biennium to the Hawaiian Home Lands Trust fund to satisfy the provision of Act 14, SpSLH 1995.

C. Description of Activities Performed

Major activities carried out by this program are as follows:

- Conducts continuous review and advises the Governor on the financial condition of the State.
- Assists in the preparation, explanation and administration of the State's long-range plans, proposed six-year program and financial plan, and State budget.
- 3. Performs other staff services for the Governor as required.
- 4. Advises on and monitors compliance of the budget execution policies and procedures.
- 5. Conducts comprehensive and in-depth analysis on State programs, operations, problems and issues to provide management with sound, rationale basis for decision-making.
- 6. Provides information requested by the Legislature.
- 7. Reviews proposed legislation and recommends appropriate action to the Governor on bills awaiting his signature.
- 8. Develops, designs, and implements government-wide management improvement projects to increase the effectiveness and economical use of management resources.
- 9. Provides administrative support activities to the Department.

D. Statement of Key Policies Pursued

The method of attaining program objective is the implementation of legislative policies expressed in Chapter 37, HRS.

E. Identification of Important Program Relationships

This program has significant relationships with the legislature and staff agencies to ensure that the State budget is consistent with applicable laws and policies.

This program also works with the Financial Administration Program (BUF 115) to ensure availability of funds for capital improvement projects.

F. Description of Major External Trends Affecting the Program

None.

G. Discussion of Cost, Effectiveness, and Program Size Data

An internal review of performance measures was conducted by the department during the summer of 2004. Based on this review, the program developed additional measures of effectiveness Projected program activities have been updated to reflect changes in program workload.

H. <u>Discussion of Program Revenue</u>

None.

I. Summary of Analysis Performed

No significant analysis of specific issues was conducted.

J. Further Considerations

None.

OPERATING AND CAPITAL EXPENDITURES

PROGRAM ID:

BUF115

PROGRAM STRUCTURE NO. 110203

PROGRAM TITLE:

FINANCIAL ADMINISTRATION

		IN DOLL	ARS			IN THOUS	ANDS	
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11
OPERATING COST	21.00*	18.00*	18.00*	18.00*	18.0*	18.0*	18.0*	18.0*
PERSONAL SERVICES	834,126	895,045	917,030	919,062	920	920	920	920
OTHER CURRENT EXPENSES EQUIPMENT	327,240,151 906	352,747,591	518,808,656	582,814,522	605,857	644,724	570,642	580,108
TOTAL OPERATING COST	328,075,183	353,642,636	519,725,686	583,733,584	606,777	645,644	571,562	581,028
BY MEANS OF FINANCING						44.5		14.00
	16.00*	14.00*	14.00*	14.00*	14.0*	14.0*	14.0*	14.0*
GENERAL FUND	191,706,098 4.00*	206,578,738 4.00*	235,035,233 4.00*	264,108,731 4.00*	274,575 4.0*	292,228 4.0*	258,580 4.0*	262,880 4.0*
TRUST FUNDS	2,864,732	3,264,511	4,768,000	4,768,000	4,768	4,768	4,768	4,768
	1.00*	*	*	*	*	*	*	· *
INTERDEPT. TRANSFER	133,504,353	143,799,387	279,922,453	314,856,853	327,434	348,648	308,214	313,380
TOTAL POSITIONS	21.00*	18.00*	18.00*	18.00*	18.00*	18.00*	18.00*	18.00*
TOTAL PROGRAM COST	328,075,183	353,642,636	519,725,686	583,733,584	606.777	645,644	571,562	581,028
			=======================================				****	

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:

BUF-115

PROGRAM STRUCTURE NO: 110203

PROGRAM TITLE:

FINANCIAL ADMINISTRATION

	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
MEASURES OF EFFECTIVENESS						*		
1 AV ANN RATE OF RETURN ON STATE TREASRY INVSTMTS	2.42	2.28	2.37	2.36	2.41	2.5	2.56	2.56
2 RATE OF INT PD ON STATE BONDS REL TO BOND INDEX(%)	75	90	90	90	90	90	90	90
3 % TREASURY TRANSACTNS UNRECONCILED AFTER 30 DAYS	8	8	8	8	8	8	8	8
4 %INCR IN NEW UNCLAIMED PROP HOLDER REPTS FILED	0	0	2.74	3.08	3.42	3.76	4.1	4.44
5 % INCR IN UNCLAIMED PROPERTY AMOUNTS REPORTED 6 %INCR IN RETURNS OF UNCLMD PROP TO RIGHTFUL OWNERS	0 0	0	1.03 2.24	1.03 2.71	1.03 3.19	1.03 3.66	1.03 4.13	1.03 4.6
PROGRAM TARGET GROUPS								
1 STATE DEPARTMENTS	20	20	20	20	20	20	20	20
2 STATE INVESTMENT ACCOUNTS	9	9	9	9	9	9	9	9
3 STATE FUND INVESTMENTS (\$ MILLIONS)	647	701	675	687	694	648	656	665
4 LOCAL AND MAINLAND FINANCIAL INSTITUTIONS	13	12	12	12	12	12	12	12
5 UNCLAIMED PROPERTY HOLDERS 6 OWNERS OF UNCLAIMED PROPERTY	7373	7500	7575	7600	7625	7650	7675	7700
6 OMNERS OF ONCLAIMED PROPERTY	46600	50000	50000	55000	60000	65000	70000	75000
ROGRAM ACTIVITIES ,								
1 NO. OF STATE BOND ISSUES UNDERTAKEN	5	7	8	7	8	7	8	7
2 # STATE BOND CALLS AND/OR REDEMPTIONS INITIATED	17	13	3	1	0	Ō	2	ò
3 NO. OF STATE BOND ACCOUNTS/HOLDERS SERVICED	359	360	135	134	131	129	126	125
4 AMOUNT OF STATE FUNDS MANAGED (IN MILLIONS)	3423	3318	3361	3409	3472	3517	3570	3615
5 NO. OF STATE AGENCY ACCOUNTS SERVICED	387	387	356	356	356	356	356	356
6 NO. OF UNCLAIMED PROPERTY CLAIMS PAID	5306	5000	5112	5251	5419	5617	5849	6118
7 AMOUNT OF UNCLAIMED PROP CLAIMS PAID (000'S)	2691	4400	4425	4450	4475	4500	4525	4550
ROGRAM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):								
TAXES								
LICENSES, PERMITS AND FEES								
REVENUES FROM THE USE OF MONEY AND PROPERTY	41,392	40,597	39,466	38,339	37,396	35,472	34,610	34,832
REVENUE FROM OTHER AGENCIES: FEDERAL	23	8	8	8	8	8	8	8
ALL OTHER CHARGES FOR CURRENT SERVICES	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
FINES, FORFEITS AND PENALTIES								
NON-REVENUE RECEIPTS	45,005	44,368	29,344	31,172	30,451	29,930	23,492	23,492
TOTAL PROGRAM REVENUES	96,420	94,973	78,818	79,519	77,855	75,410	68,110	68,332
PROGRAM REVENUES BY FUND TO WHICH DEPOSITED (IN THOUSANDS C	F DOLLARS):	•						,
GENERAL FUND	20,338	27,066	15,972	16,250	16,735	16,240	16,783	17.005
ALL OTHER FUNDS	76,083	67,906	62,847	63,269	61,120	59,170	51,327	51,327
TOTAL PROGRAM REVENUES	96,421	94,972	78,819	79,519	77,855	75,410	68,110	68,332

A. STATEMENT OF PROGRAM OBJECTIVES

To maximize the value, investment, and use of State funds through proactive planning, the development of prudent statewide financial policies, the timely scheduling of State bond financing and the establishment of appropriate cash management controls and procedures.

B. DESCRIPTION OF REQUEST AND COMPLIANCE WITH SECTIONS 37-68(1)(A)(B)

Operating cost increases are primarily attributed to debt service requirements that total \$512.9 million in FY 2006 and \$576.9 million in FY 2007. The request reflects a projected net increase (all means of financing) in debt service cost of \$164.6 million in FY 2006 and \$228.6 million in FY 2007 over the FY 2005 allocation. This increase is primarily a result of refunding/restructuring bond issues dating back to 1998. Additional interest payments of \$.713 million in FY 2006 and \$4.3 million in FY 2007 are included to support additional CIP authorization of \$600 million beginning in FB 05-07. The bond issuance plan is based on \$500 million in FY 2006 at 5.7%, \$400 million in FY 2007 at 5.7%, \$250 million in FY 2008 at 6% and \$200 million in FY 2009 through FY 2011 at 6%.

Discretionary costs for fiscal year 2006 and fiscal year 2007 is increased by \$1.5 million (trust funds) for the settlement of unclaimed property claims. Claims for the 1st quarter of FY 2005 totaled \$1.1 million and are estimated at \$4.4 million by fiscal year end should this trend continue. The number of claims has also increased during the past years because of public awareness of the unclaimed property program.

C. DESCRIPTION OF ACTIVITIES PERFORMED

One of the major activities of this program is to plan, direct, and coordinate the overall financial policies in areas such as investments and the issuance and marketing the sale of State of Hawaii bonds.

Other major activities of this program are to receive, safeguard and disburse funds in the State Treasury to meet payment of State obligations and invest moneys in excess of the amount necessary for the meeting the immediate requirements of the State. The program also administers the Unclaimed Property function by assuming the custody and responsibility for the safekeeping of property presumed abandoned. The program also returns property presumed abandoned when the rightful owners file claims.

D. STATEMENT OF KEY POLICIES PURSUED

Manage State funds based on criteria of safety, liquidity, and yield to ensure payment of State obligations in a timely manner. Invest funds consistent with the administration policy which provides that in cases where State monies are in excess of the amount necessary to meet immediate requirements, and where action will not impede or hamper the financial operation of the State, such monies shall be invested in the types of investments permitted under Chapter 36, Hawaii Revised Statutes, as amended.

Adhere to standards of internal and external controls to safeguard State funds and securities. Sections 38-2 and 38-3, Hawaii Revised Statutes (HRS), provide for the pledging of securities by financial institutions, serving as depositories of State funds, for the protection of public funds.

Section 40-7, HRS, requires an annual count of moneys and securities in the State Treasury.

Determine the specific date and amount of bond sales based on cash requirements of the State and prevailing money market conditions. The debt management program determines the specific date and amount of bond sales based on cash requirements of the State and prevailing market conditions.

The Unclaimed Property Program protects the interest of owners of abandoned property by assuming State custody of such property until claimed by their rightful owners. Chapter 523A, HRS, provides the statutory guidelines for the administration of the State Unclaimed Property Program.

E. IDENTIFICATION OF IMPORTANT PROGRAM RELATIONSHIPS

Investments of cash in excess of the State's immediate requirements are made on a regular basis with banks and other financial institutions. In an effort to maximize the interest earnings for the State, this program works closely with these institutions to obtain the best possible interest rates at any given time.

To carry out the coordination of the State's Bond Program, direct involvement with other State department programs is necessary in areas such as:

1) directing the activities of and participating in issuing revenue bonds; and 2) evaluating and recommending alternative financing options to meet funding requirements.

This program is instrumental in directing all activities of a bond issue. Essential to planning the issuance and marketing the sale of bonds is a good working relationship with bond counsel, underwriters, investment banking firms and other private sector entities. Coordination of the timing of bond issuances by the State and four Counties is important to avoid having a number of Hawaii issues in the marketplace at any one time which would lead to higher interest costs for all issuers and a negative impact on the marketability of the bonds.

Also important in the marketability of a bond is the bond rating established by national bond rating agencies.

Any factors which would possibly affect the State's bond rating are conveyed in a timely manner to these agencies.

F. DESCRIPTION OF MAJOR EXTERNAL TRENDS AFFECTING THE PROGRAM

The state of the economy, on the national, international, and local scale, is a major concern of this program. The program must continually assess and evaluate the State's overall financial condition. It is important to keep abreast of local, national, and international economic, social, and financial trends affecting financing and investments. This program must be aware of Federal and State laws, rules and issues related to investments, debt financing, and cash management to ensure that the State's financial policies and procedures are in conformance. When new procedures are necessary to ensure conformance, they must be implemented in a timely manner.

Since the cash resources of the State constitute a significant and important aspect of the financial management of the State, trends in interest rates are closely monitored. The State's investment earnings are determined to a large extent by the prevailing interest rates of short-term securities. The primelending rate of the banks, which generally sets the tone for all investment rates, is closely monitored.

G. DISCUSSION OF COST, EFFECTIVENESS, AND PROGRAM SIZE DATA

General Obligation bonds issued and outstanding as of July 1, 2004 totaled \$3.966 billion. The estimated cost of debt service for general obligation bonds is as follows:

		(In Thousa	nds of Dollars))
	Actual Estir	nated Est	imated Est	imated
	2003-04	2004-05	2005-06	2006-07
Principal	\$128,865	\$136,445	\$267,904	\$315,830
Interest	194,939	211,839	244,952	261,032
Total	\$ <u>323,804</u>	\$348,284	\$ <u>512,856</u>	\$572,862

As of June 30, 2004, there was \$3.056 billion in the State Treasury's investment portfolio. Of this amount, \$1.163 billion was invested in interest bearing securities issued by financial institutions doing business in the State and \$1.893 billion in securities issued by the U.S. Treasury and agencies of the United States Government.

H. DISCUSSION OF PROGRAM REVENUE

Major program revenues are derived from the following sources:

- 1. Interest earned on interest bearing demand accounts.
- 2. Interest earned on certificates of time deposits.
- 3. Interest earned on U.S. Treasury Bills and repurchase agreements primarily acquired for liquidity purposes.
- 4. Assessments on State Agencies for the payment of interest and principal on reimbursable general obligation bonds.
- 5. Collections from properties presumed abandoned.

I. SUMMARY OF ANALYSIS PERFORMED

No in-depth program analysis has been conducted.

J. FURTHER CONSIDERATIONS

Not applicable.

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PROGRAM ID:

BUF141

PROGRAM STRUCTURE NO. 11030601

PROGRAM TITLE:

EMPLOYEES RETIREMENT SYSTEM

			ARS	RS		IN THOUSANDS			
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11	
OPERATING COST PERSONAL SERVICES OTHER CURRENT EXPENSES EQUIPMENT	67.00* 4,329,791 337,124,604 76,789	73.00* 4,620,822 430,646,313 135,000	75.00* 4,927,462 488,713,521 216,000	75.00* 4,927,462 502,227,207 132,000	75.0* 4,927 511,666	75.0* 4,927 522,871	75.0* 4,927 527,322	75.0* 4,927 531,840	
TOTAL OPERATING COST	341,531,184	435,402,135	493,856,983	507,286,669	516,593 ======	527,798 ======	532,249	536,767	
BY MEANS OF FINANCING GENERAL FUND INTERDEPT. TRANSFER OTHER FUNDS	138,540,671 194,800,270 67.00* 8,190,243	176,365,246 240,919,270 73.00* 18,117,619	201,895,621 283,883,400 75.00* 8,077,962	207,081,631 292,127,076 75.00* 8,077,962	209,048 299,599 75.0* 7,946	211,045 308,807 75.0* 7,946	213,070 311,233 75.0* 7,946	215,126 313,695 75.0* 7,946	
TOTAL POSITIONS TOTAL PROGRAM COST	67.00* 341,531,184	73.00* 435,402,135	75.00* 493,856,983	75.00* 507,286,669	75.00* 516,593	75.00* 527,798	75.00* 532,249	75.00* 536,767	

REPORT P62

PROGRAM ID:

BUF-141

PROGRAM STRUCTURE NO: 11030601

PROGRAM TITLE:

EMPLOYEES RETIREMENT SYSTEM

		FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
MEASL	RES OF EFFECTIVENESS								
1	AVE TIME BETWN RET DATE AND INIT RET CHECK (WEEKS)	4	4	4	4	4	4	4	4
2	AVE. TIME TO FINALIZE SVS RETIREMT BENEFITS (MON)	12	6	.6	6	6	6	6	6
3	AVE TIME TO PROC INIT CHK TO TERM EMPLYS (WKS)	3	3	3	3	3	3	3	3
4	ANN INVST RETN AS RANKED IN CAI LG PUB FD PEER GRP	15.5	8	8	8	8	8	,8	8
PROGE	MAM TARGET GROUPS								
1	ACTIVE MEMBERS	62578	62800	62800	62800	62800	62800	62800	62800
2	RETIRED MEMBERS	32297	33300	34450	35600	36750	37900	39050	40200
3	INACTIVE VESTED MEMBERS	4501	4800	4800	4800	4800	4800	4800	4800
PROGE	NAM ACTIVITIES								
1	NUMBER OF NEW MEMBERS	4262	4000	4000	4000	4000	4000	4000	4000
2	NUMBER OF TERMINATIONS WITH REFUND	183	200	200	200	200	200	200	200
3	NUMBER OF ANNUAL RETIREES	1350	1400	1400	1400	1400	1400	1400	1400
4	NUMBER OF ANNUAL DECEASED MEMBERS AND RETIREES	1028	1100	1100	1100	1100	1100	1100	1100
5	ASSETS (IN MILLIONS OF DOLLARS)	8565	8700	9400	10100	11000	11800	12800	13800
6	NUMBER OF ANNUAL RETIREMENT BENEFIT COMPUTATIONS	8882	9100	9100	9100	9100	9100	9100	9100
7	NUMBER OF ANNUAL DISABILITY CLAIMS FILED	287	200	200	200	200	200	200	200
8	NO. MEMBER HOME LOAN MORTGAGES	545	365	365	365	365	365	365	365
9	NO. INVESTMENT ADVISORY FIRMS	29	34	34	34	34	34	34	34

PROGRAM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):

LICENSES, PERMITS AND FEES

REVENUES FROM THE USE OF MONEY AND PROPERTY REVENUE FROM OTHER AGENCIES: FEDERAL

ALL OTHER

CHARGES FOR CURRENT SERVICES FINES, FORFEITS AND PENALTIES

NON-REVENUE RECEIPTS

TOTAL PROGRAM REVENUES

A. Statement of Program Objectives

To provide retirement and survivor benefits for State and County members and to prudently maximize the return on investments.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Act 181, Session Laws of Hawaii 2004, changed the methodology used to compute employer contributions for State and County government employees' retirement benefits. Beginning in FY 2006, employer contributions are based on 15.75 percent of the member's compensation for police and firefighters and 13.75 percent of the member's compensation for all other employees. Prior to the passage of Act 181, employer contributions to the ERS were based on actuarial valuations that determined in dollars the normal cost and amounts required to amortize the projected unfunded liability within a statutorily established period of time. This resulted in sizeable fluctuations in funding requirements due to volatility of the investment market, substantial actuarial gains or losses in any given year and as the amortization period decreases. The use of the fixed percentage of payroll provides more predictable and consistent budgetary and cash flow requirements.

This change in methodology will result in an increase of \$26.7 million (General Funds) and \$34.5 million (U-Funds) in FY 2006 and \$28.6 million (GF) and \$38 million (UF) in FY 2007 over the FY 2005 employer contribution requirements for pension accumulation.

Authorizes an increase in the funds available for the employer's share of social security/medicare requirements by a net \$2.03 million and \$9.35 million in FY 2006 and FY 2007, respectively. General funds are reduced by \$6.47 million and \$3.85 million and Interdepartmental funds (U-Funds) are increased by \$8.5 million and \$13.2 million in FY 2006 and FY 2007. The

projections are based on actual payroll data through June 30, 2004. The assessment rates are 6.2% for social security and 1.45% for medicare.

The biennium budget request also includes two additional positions and funds (X-Funds) to handle workload requirements attributed to the new hybrid benefit plan and overall improvements to the benefit finalization process. The number of retirees are expected to increase by 10,000 to 40,000 over the next eight years.

Lastly, the biennium budget includes an additional \$117,226 in FY 2006 and FY 2007 (X-Funds) to accommodate an increase in the fringe benefit rate to 40%.

C. <u>Description of Activities Performed</u>

The major activities in this program are: pre-retirement counseling services; computation of retirement, disability and death benefits; enrollment of new State and County employees; conducting disability hearings and appeals; processing retirement checks on a timely basis; tax reporting requirements for benefit distributions; management oversight, safeguarding and accounting for the program's investments in stocks, bonds, foreign securities, mortgages, real estate, certificates of deposits, etc.

D. Statement of Key Policies Pursued

The Board of Trustees establishes policies and procedures to administer the program and to conduct disability hearings and appeals. The Board also develops asset allocation strategies to prudently maximize the rate of return on investments for the benefit of the State and County government employers and ERS members and pensioners.

E. <u>Identification of Important Program Relationships</u>

Federal, special and general funded programs of the State and all County programs are affected by the retirement program because of the annual employer appropriation requirements. Social Security Administration policy and tax changes also have a direct effect on the State's liability.

F. <u>Description of Major External Trends Affecting the Program</u>

None.

G. <u>Discussion of Cost, Effectiveness, and Program Size Data</u>

As the baby boomers begin to retire, a new computer system is vital to meet the increased workload to process pension payroll, provide estimates and calculate payroll, and provide good interactive services to members. In addition, the accounting and analysis of investments will be more efficient and timely.

The ERS is planning to reorganize to operate more efficiently. However, the increasing number of retirees and members has made it difficult to address the increasing work and members' needs even when considering reorganization plans.

The ERS also considered privatizing certain functions, but estimates show that it would not be cost effective. The FB 05-07 budget request increases the staffing level by two additional positions.

H. <u>Discussion of Program Revenue</u>

Program revenues are received from:

Earnings on investment portfolio consisting of real estate loans and mortgages, preferred and common stocks, government obligations; corporate obligations; certain debt instruments; real property; alternative investments; and other

securities and futures contracts as authorized by Section 88-119 of the Hawaii Revised Statues.

Employer contributions for the Pension Accumulation Fund are received from the State and Counties that will be based on a percentage of payroll beginning in FY 2006.

Employee contributions from approximately 9,466 members in the Contributory Plan.

The employer's share of federal social security and Medicare contributions from the State of Hawaii for covered employees.

I. Summary of Analysis Performed

None.

J. Further Considerations

None.

REPORT P61-A

PROGRAM ID:

BUF143

PROGRAM STRUCTURE NO. 11030603

PROGRAM TITLE:

EMPLOYER UNION TRUST FUND

		IN DOLLARS			- IN THOUSANDS				
PROGRAM EXPENDITURES	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10	FY2010-11	
OPERATING COST	23.00*	23.00*	26.00*	26.00*	26.0*	26.0*	26.0*	26.0*	
PERSONAL SERVICES	1,252,502	1,339,435	1,592,667	1,592,667	1,592	1,592	1,592	1,592	
OTHER CURRENT EXPENSES	1,329,355	1,574,700	2,263,721	1,719,671	1,720	1,720	1,720	1,720	
EQUIPMENT	11,550		19,800	286,500	•	·	,	,	
TOTAL OPERATING COST	2,593,407	2,914,135	3.876.188	3,598,838	3,312	3,312	3,312	3,312	
	2,373,401	2,717,137	3,010,100	3,576,636	3,312	3,312	3,312	3,312	
BY MEANS OF FINANCING									
	23.00*	23.00*	26.00*	26.00*	26.0*	26.0*	26.0*	26.0*	
TRUST FUNDS	2,593,407	2,914,135	3,876,188	3,598,838	3,312	3,312	3,312	3,312	
TOTAL POSITIONS	23.00*	23.00*	26.00*	26.00*	26.00*	26.00*	26.00*	26.00*	
TOTAL PROGRAM COST	2,593,407	2,914,135	3,876,188	3,598,838	3,312	3,312	3,312	3,312	
	*******				*****				

PERFORMANCE MEASURES AND PROGRAM REVENUES

PROGRAM ID:

BUF-143

PROGRAM STRUCTURE NO: 11030603

PROGRAM TITLE:

EMPLOYER UNION TRUST FUND

	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
MEASURES OF EFFECTIVENESS	With hinds hand draps beard suppr prints paper paper							
1 % CHG IN ADMIN EXPENDITURES PER ENROLLEE		-17.39	23.98	-9.86	0	0	0	0
2 % ACCTS W/SHORTAGES, OVERAGES PENDG RESO > 30DAYS	67	65	65	65	65	65	65	65
3 %CHG IN SATISFACTN SURVEYS COMPLETED BY DPO	0	0	3	3	3	3	3	3
4 %CHG IN SATISFACTN SURVEYS COMPL BY INSUR CARRIERS	•		3	3	3	3	3	3
5 % OPEN ENROLLMT TRANSCTNS COMPL BY EUTF BY 6/30	86	90	95	95	95	95	95	95
PROGRAM TARGET GROUPS								
1 ACTIVE FULLTIME EMPLOYEES OF STATE & COUNTIES	64259	64650	65150	65650	66150	66650	66650	66650
2 TOTAL RETIREDEMPLOYEES	34919	35300	36300	37300	38300	39300	39300	39300
3 TOTAL DEPENDENT BENEFICIARIES	86618	86620	85000	85750	86500	87250	87250	87250
4 MEDICARE PREMIUM REIMBURSEMENT RECIPIENTS	33266	33900	34900	35900	36900	37900	37900	37900
5 PERSONNEL AND FINANCE OFFICERS	500	500	500	500	500	500	500	500
6 INSURANCE CARRIERS	14	13	10	10	10	10	10	10
PROGRAM ACTIVITIES								
1 NEW ENROLLMENTS (ADDITIONS)	7782	7900	9800	10300	10800	11300	11300	11300
2 TERMINATIONS (DELETIONS, CANCELLATIONS)	5957	6300	7650	8150	8650	9150	9150	9150
3 ENROLLMENT DATA CHGS - INSUR PLAN, NAME, ADDRESS	28800	21970	22970	23970	24970	25970	25970	25970
4 BENEFIT CLAIMS (GRP LIFE INSURANCE)	892	980	770	770	770	770	770	770
5 COBRA ENROLLMENTS 6 OUTREACH/EDUC BENEFIT BRIEFING SESSIONS CONDUCTED	2774	2600	3650	3850	4050	4250	4250	4250
A COLUENCIAL EDOC BENEFILL BRIEFING 252210M2 CONDOCTED	135	150	150	150	150	150	150	150
PROGRAM REVENUES BY TYPE (IN THOUSANDS OF DOLLARS):								
TAXES								
LICENSES, PERMITS AND FEES								
REVENUES FROM THE USE OF MONEY AND PROPERTY REVENUE FROM OTHER AGENCIES: FEDERAL	663	399						
ALL OTHER								
CHARGES FOR CURRENT SERVICES	78,956	94,740	92,834	96,596	100,648	105,014	109.884	115,144
FINES, FORFEITS AND PENALTIES			•	•	,		107,001	115,144
NON-REVENUE RECEIPTS	525,739	585,600	597,312	609,258	621,440	633,860	646,560	659,470
TOTAL PROGRAM REVENUES	605,358	680,739	690,146	705,854	722,088	738,874	756,444	774,614
PROGRAM REVENUES BY FUND TO WHICH DEPOSITED (IN THOUSANDS O	OF DOLLARS):							
ALL OTHER FUNDS	605,357	680,739	690,146	705,854	722,088	738,874	756,444	774,614
GENERAL FUND	1	•			,		120,444	117,017
TOTAL PROGRAM REVENUES	605,358	680,739	690,146	705,854	722,088	738,874	756,444	774,614
								•

A. Statement of Program Objectives

To provide health and life insurance benefits for eligible active and retired State and County public employees and their dependents that are affordable to both public employers and participants.

B. Description of Request and Compliance with Section 37-68 (1)(A)(B)

The FB 2005-2007 budget is based on anticipated efficiency gains from system enhancements, and streamlined processes to be implemented in FY 2006 by the Hawaii Employer-Union Health Benefits Trust Fund ("Trust Fund").

The Budget request provides for an upgrade of the EUTF Health Benefit Information Management System (HFIMS) which operates on PeopleSoft. This computer system is the operating engine of the Trust Fund, tracking and processing all enrollment related transactions for 185,800 State and County employees and retirees and their dependents. The upgrade is required as the current version of PeopleSoft is no longer supported, to ensure compliance with federal security requirements and to fully implement and optimally configure the system to best support EUTF's business processes.

The Trust Fund currently has 23 permanent positions. The request includes funding an additional six (6.00) positions (three (3.00) permanent and three (3.00) temporary) that are essential for the continued in-house operations of the Trust Fund. Of the six (6.00) positions, two (2.00) permanent and three (3.00) temporary Clerk IIIs are needed for customer and enrollment services and one (1.00) permanent position will provide required IT support.

Finally, the budget requests increases in the trust fund of \$86,492 in FY06 and in FY07 for operating costs for office space lease and legal services provided by the Department of the Attorney General.

C. Description of Activities Performed

Board of Trustees:

- 1. Determine the nature and scope of the benefit plans.
- 2. Negotiate and entering into contracts with insurance carriers.
- 3. Procure fiduciary liability insurance, fidelity bond, and errors and omissions coverage.
- 4. Establish eligibility criteria and management policies for the Trust Fund.
- 5. Contract for financial audits of the Trust Fund and claims audits of its carriers.
- 6. Oversee all Trust Fund activities.

Trust Fund Staff:

- 1. Train State and County personnel and fiscal officers to enroll eligible employees and retirees in benefit plans; publicize benefit plan information.
- 2. Administer benefit plans; review eligibility determinations; process enrollment applications; record cancellations and terminations; updating files; respond to inquiries about benefit plan enrollments.
- Collect and reconcile employee payroll deductions and employer contributions in accordance with statutes and collective bargaining agreements; remit premiums to insurance carriers.

- 4. Authorize the disbursement of Trust Fund Life Insurance Plan proceeds to beneficiaries and reimbursement of Medicare Part B health insurance premiums to eligible retirees and their spouses.
- 5. Administer enrollment records for qualified-beneficiaries eligible under P.L. 99-272. Federal COBRA law mandates a temporary extension of health insurance benefits for these persons.
- Maintain financial records for employees enrolled in the State of Hawaii's Premium Conversion Plan.
- Comply with HIPAA privacy regulations and policies related to health benefit enrollment records.

D. Statement of Key Policies Pursued

Each State and County employing agency is responsible to notify their eligible employees about the Trust Fund's benefit plans by distributing information and providing enrollment assistance.

In order to receive benefits, employees must file enrollment applications with their employing agency; new retirees with the Employees' Retirement System.

Employers, employees, and retirees are required to make timely payments for benefit plans to the Trust Fund office as appropriate.

The Trust Fund office services the health and life insurance benefits enrollment needs of State and County employees and retirees.

E. Identification of Important Program Relationships

The Board of Trustees negotiates health benefit and group life insurance plans with insurance carriers. Public employers and employees are notified of premium rates after collective bargaining agreements are negotiated.

Maintain liaison with insurance carriers, legislative committees, Social Security Administration, unions, State and County Directors of Finance and Personnel, and the State Office of Collective Bargaining.

The State and County Directors of Finance pay negotiated and statutory contributions amounts to the Trust Fund. The Trust Fund collects both State and County employer and employee contributions. After processing and reconciling the enrollments and contributions, the Trust Fund remits applicable amounts to insurance carriers for insurance premiums.

The Trust Fund notifies employees of premium shortages and their ineligibility to receive benefits if deficiencies are not paid in full.

A Benefit Plan Consultant advises the Board and staff on program administration. They provide comprehensive data on benefit plan trends and conducts special studies on benefit improvements as directed by the Board of Trustees.

The State Attorney General's Office provides legal assistance by reviewing health insurance contracts, administrative rules and the Board's program activities for compliance with applicable State and Federal laws.

State agencies having control of special and Federal funds are required by law to reimburse the State general fund for employer health and life insurance plan employer contributions advanced by the State Director of Finance.

F. Description of Major External Trends Affecting the Program

Excellent retirement benefits and longer life expectancies have significantly increased the number of enrolled retirees as well as the total cost of this program.

Public employers' contributions for active employees are a specific dollar amount to be negotiated through collective bargaining.

G. Discussion of Cost, Effectiveness, and Program Size Data

Program indicators are projected to increase steadily during the planning period. The number of employees and retirees enrolling for Trust Fund benefits are anticipated to continue to increase.

The administrative workload to collect varying amounts of premiums from employees who were hired after June 30, 1996 and who subsequently retire will progressively increase over the years.

H. Discussion of Program Revenues

Program revenues are received from:

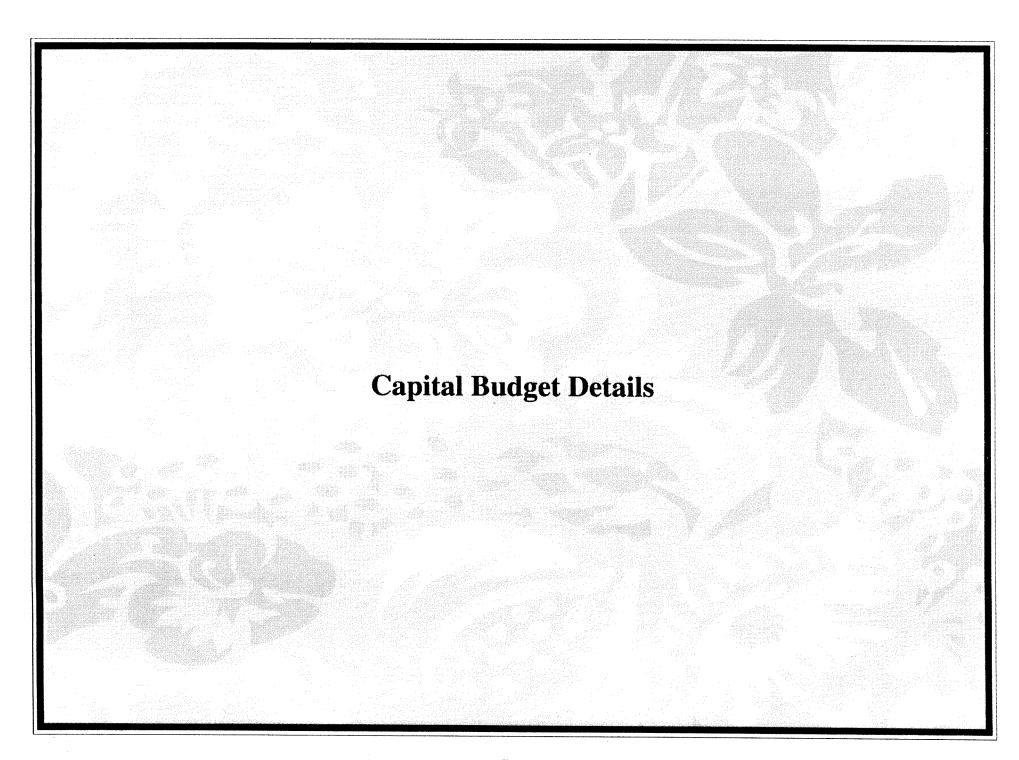
- 1. State and County governments for their share of health and life insurance plan employer contributions.
- 2. State and county employees and retirees for their share of health insurance premiums.
- 3. Refunds and interest earned on reserve monies from health and life insurance plans' experience gains.
- 4. State and county employers for their share of the Trust Fund administrative fees.
- 5. Interest income earned on the Trust Fund.

I. Summary of Analysis Performed

Not applicable.

J. Further Considerations

Not applicable.



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STATE OF HAWAII PROGRAM ID

PROGRAM TITLE

BUF-101

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT IN THOUSANDS OF DOLLARS

REPORT B78 PAGE 29

PROGRAM STRUCTURE NO. 11010305

DEPARTMENTAL ADMINISTRATION & BUDGET DIV

PROJECT NUMBER	PRIORITY NUMBER	LOC	SCOPE	PROJECT TITLE					EDT OD					
		COST	ELEMENT/MOF	PROJECT TOTAL	PRIOR YRS	FY 03-04	FY 04-05	BUDGET PE FY 05-06	FY 06-07	FY 07 08	FY 08-09	FY 09-10	FY 10-11	SUCCEED YEARS
00-01	0001	ADDITION		HAWAIIAN HOME LANDS TRUST FUND, STATEWIDE										
			RUCTION	313,900	193,900	30,000	30,000	30,000	30,000					
		TOT.		313,900	193,900	30,000	30,000	30,000	30,000					
		G.O. BONDS		313,900	193,900	30,000	30,000	30,000	30,000				· · · · · · · · · · · · · · · · · · ·	
00-02	0002	NEM STATE EDUCATIONAL FACILITIES IMPROVEMENT				MENT	SPECIAL FUND	, STATEWIDE						
		CONST	RUCTION	1,074,418	612,516	108,166	263,736	45,000	45,000					
			TAL	1,074,418	612,516	108,166	263,736	45,000	45,000					
			BONDS	1,074,418	612,516	108,166	263,736	45,000	45,000					
P04103	- 100° 100° 100° 100° 100° 100° 100° 100	NEW		BISHOP MUSEUM	, HAWAII						د سه بدو وید وی بدو بده بده سه شده اس ه ه			
		DESIG CONST	GN FRUCTION	200 800			200 800							
		TO	OTAL	1,000	** ** ** ** ** ** * * * * * * * * * *		1,000							***************************************
		G.O.	BONDS	1,000			1,000					* ** **		
P30059		NEW		BISHOP MUSEUM	, OAHU							, 		
		PLANS DESIG CONST EQUII	GN FRUCTION	400 400 1,250 1,950		400 400 1,200	50 1,950							
		T	DTAL	4,000		2,000	2,000						······································	
		G.O.	BONDS	4,000		2,000	2,000							

STATE OF HAWAII PROGRAM ID

BUF-101

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT IN THOUSANDS OF DOLLARS

REPORT B78 PAGE 30

PROGRAM STRUCTURE NO. 11010305

DEPARTMENTAL ADMINISTRATION & BUDGET DIV PROGRAM TITLE

PROJECT NUMBER	PRIORITY NUMBER		SCOPE	PROJECT TITLE			And the first and mar into our uppr year age, date a	BUDGET P	 FRIOD	# # - +				
				PROJECT TOTAL	PRIOR YRS	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07 08	FY 08-09	FY 09-10	FY 10-11	SUCCEED YEARS
				PROGRAM TOTAL	.S									
		PLANS DESIGN CONSTRUCTION EQUIPMENT		400 601 1,403,366 1,951	1 819,414 1	400 400 139,366	200 294,586 1,950	75,000	75,000					
	TOTAL		1,406,318	819,416	140,166	296,736	75,000	75,000			· • • • • • • • • • • • • • • • • • • •		·	
		G.O.	BONDS	1,406,318	819,416	140,166	296,736	75,000	75,000			• • • • • • • • • • • • • • • • • • •		· · · · · · · · · · · · · · · · · · ·